

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588



VIA UPS 2nd DAY AIR

June 22, 2005

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

RECORDATION NO. 21585-C FILED

JUN 24 '05

4:13 PM

SURFACE TRANSPORTATION BOARD

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated June 8, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 21585.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Grace Davison,
a business unit of W.R. Grace & Co.
7500 Grace Drive, Building 1
Columbia, MD 21044-4098

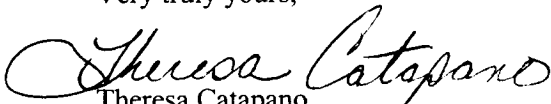
A description of the railroad equipment covered by the enclosed document is thirty-six (36) 5250 cu. ft., 100-ton, covered hopper cars, marked FURX (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5375.
Thank you for your cooperation in this matter.

Very truly yours,


Theresa Catapano
Manager of Documentation

Enclosures

(GRDA008)

JUN 24 '05

4:13 PM

SURFACE TRANSPORTATION BOARD

ASSGN. NO.: GRDA008

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 8th day of June, 2005, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and GRACE DAVISON, a business unit of W.R. Grace & Co. ("Lessee"), a Connecticut corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of March 3, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 5 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of February 16, 2005, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR

Vice President Sales & Marketing

Title: _____

By: Theresa CatapanoName: THERESA CATAPANOTitle: MGR. OF DOCUMENTATION Executed on this 8TH day of JUNE, 2005

[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 8th day of June, 2005.

Georgia Freiburger
Notary Public

My Commission Expires:

5-2008
(Notary Public)



GRACE DAVISON, a business unit of W.R. Grace & Co. - *CONN.*

By: D. Pigott
Name: Daniel T. Pigott
Title: Gen. Global Logistics

By: WH WH
Name: Heather Henry
Title: Logistics Supervisor

Executed on this 1st day of June, 2005.

STATE OF MARYLAND
COUNTY OF HOWARD

I, SHIRLEY H. HEWITT, a Notary Public of ^{BALTIMORE}~~the~~ County and State aforesaid, certify that D. J. PIGOTT personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 1ST day of JUNE, 2005.

Shirley H. Hewitt
Notary Public

(Notary Public)

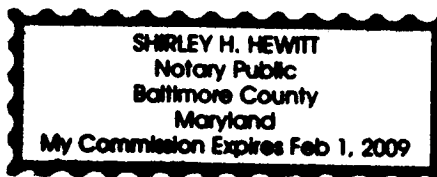


EXHIBIT A
to
MEMORANDUM OF LEASE

- I. NUMBER OF CARS: Thirty- six (36)
- II. DESCRIPTION OF CARS: 5250 cu.ft., 100 ton covered hopper cars, 286,000 lb. capacity, trough hatches, gravity gates, AAR car type C114, built in 1996
- III. CAR NUMBERS:
- | | |
|------|--------|
| FURX | 850003 |
| FURX | 850004 |
| FURX | 850060 |
| FURX | 850067 |
| FURX | 850153 |
| FURX | 850157 |
| FURX | 850158 |
| FURX | 850267 |
| FURX | 850311 |
| FURX | 850333 |
| FURX | 850342 |
| FURX | 850360 |
| FURX | 850368 |
| FURX | 850385 |
| FURX | 850386 |
| FURX | 850404 |
| FURX | 850463 |
| FURX | 850516 |
| FURX | 850527 |
| FURX | 850599 |
| FURX | 850600 |
| FURX | 850602 |
| FURX | 850635 |
| FURX | 850642 |
| FURX | 850643 |
| FURX | 850644 |
| FURX | 850647 |
| FURX | 850649 |
| FURX | 850650 |
| FURX | 850655 |
| FURX | 850656 |
| FURX | 850660 |
| FURX | 850685 |
| FURX | 850715 |
| FURX | 850726 |
| FURX | 850733 |